



Department of Justice



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NORTHERN CALIFORNIA REAL ESTATE INVESTOR AGREES TO PLEAD GUILTY TO BID RIGGING AT PUBLIC FORECLOSURE AUCTIONS

Investigations Have Yielded 55 Plea Agreements and Five Indictments to Date

WASHINGTON – A Northern California real estate investor has agreed to plead guilty for his role in conspiracies to rig bids at public real estate foreclosure auctions in Northern California, the Department of Justice announced.

Felony charges were filed today in the U.S. District Court for the Northern District of California in Oakland against Wayne Lippman of Walnut Creek, California. To date, as a result of the department's ongoing antitrust investigations into bid rigging and fraud at public real estate foreclosure auctions in Northern California, 55 individuals have agreed to plead or have pleaded guilty.

According to court documents, between August 2008 and January 2011, Lippman conspired with others not to bid against one another and instead to designate a winning bidder to obtain selected properties at public real estate foreclosure auctions in Alameda and Contra Costa counties. Lippman made and received payoffs for the agreements not to bid, diverting money that would have otherwise gone to mortgage holders and other beneficiaries.

"This plea is the latest step in the Antitrust Division's ongoing efforts to hold investors accountable for colluding at foreclosure auctions and denying lenders and homeowners the fair market value of their property," said Assistant Attorney General Bill Baer of the Department of Justice's Antitrust Division. "We will continue to work with our law enforcement partners to investigate and prosecute collusion at real estate foreclosure auctions and to restore confidence in the housing market."

"The negative impact resulting from bid rigging and fraud at public foreclosure auctions is far-reaching," said Special Agent in Charge David J. Johnson of the FBI's San Francisco Field Office. "The FBI remains committed to identifying such violations and we are grateful for the unwavering dedication to justice shared by all of our law enforcement partners."

Today's charges are the latest filed by the department in its ongoing investigation into bid rigging and fraud at public real estate foreclosure auctions in San Francisco, San Mateo, Alameda and Contra Costa counties, California. These investigations are being conducted by the Antitrust Division's San Francisco Office and the FBI's San Francisco Office. Anyone with information concerning bid rigging or fraud related to public real estate foreclosure auctions should contact the Antitrust Division's San Francisco Office at 415-934-5300, or call the FBI tip line at 415-553-7400.

The charges were brought in connection with the President's Financial Fraud Enforcement Task Force. The task force was established to wage an aggressive, coordinated and proactive effort to investigate and prosecute financial crimes. With more than 20 federal agencies, 94 U.S. attorneys' offices, and state and local partners, it's the broadest coalition of law enforcement, investigatory and regulatory agencies ever assembled to combat fraud. Since its formation, the task force has made great strides in facilitating increased investigation and prosecution of financial crimes; enhancing coordination and cooperation among federal, state and local authorities; addressing discrimination in the lending and financial markets; and conducting outreach to the public, victims, financial institutions and other organizations. Over the past three fiscal years, the Justice Department has filed nearly 10,000 financial fraud cases against nearly 15,000 defendants, including more than 2,900 mortgage fraud defendants. For more information on the task force, please visit www.StopFraud.gov.

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